

DEPARTMENT OF REVENUE
TAX COMPLIANCE
TAX ENFORCEMENT DIVISION

Program Records Retention and Disposition Schedule

The Program Records Retention and Disposition Schedule and retention periods governing the records series listed herein are hereby approved. In accordance with the provisions of Chapters 121 and 132 of the General Statutes of North Carolina, it is agreed that the records of the

TAX ENFORCEMENT DIVISION

do not and will not have further official use or value for administrative, research, or reference purposes after the respective retention periods specified herein. The N.C. Department of Cultural Resources consents to the destruction or other disposition of these records in accordance with the retention and disposition instructions specified in this schedule. However, records subject to audit or those legally required for ongoing official proceedings must be retained until released from such audits or official proceedings, notwithstanding the instructions of this schedule.

The Department of Revenue and the Department of Cultural Resources agree that certain records series have minimal administrative, reference, or historical value. When the custodian of any official State records certifies to the Department of Cultural Resources that such records have no further use or value for official and administrative business and when the Department certifies that such records appear to have no further use or value for research or reference, then such records may be destroyed or otherwise disposed of by the agency having custody of them. As part of its program operations the Department of Revenue agrees to establish and enforce internal policies. The policy will specify how long those records must be retained and when they must be destroyed.

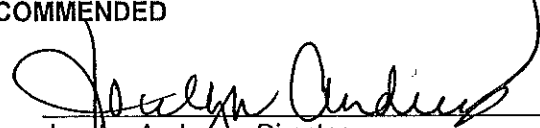
E-mail messages sent or received by Executive Branch agencies shall be retained for 10 years pursuant to Executive Order No. 18 (issued July 7, 2009 by Governor Beverly Perdue) and as set forth in G1 of the General Schedule for State Agency Records. Any E-mail messages requiring retention longer than 10 years, including those with permanent historical value, shall be designated with specific retention periods in this program records schedule. **Public records including electronic records not listed in this schedule or in the General Schedule for State Agency Records are not authorized to be destroyed. The**

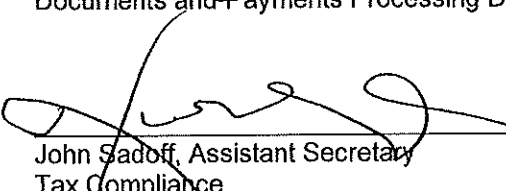
TAX ENFORCEMENT DIVISION

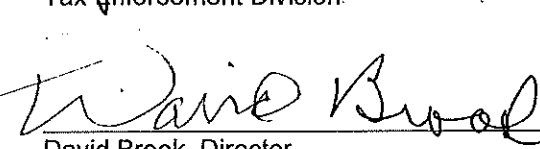
agrees to destroy, transfer or dispose of records in the manner and at the times specified herein. This schedule is to remain in effect until superseded.

APPROVAL RECOMMENDED

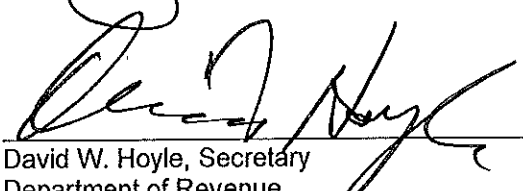

Cindy D. Mallard, Chief Records Officer and Director
Documents and Payments Processing Division

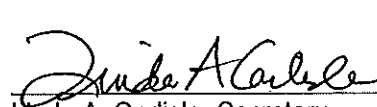

Jocelyn Andrews, Director
Tax Enforcement Division


John Sadoff, Assistant Secretary
Tax Compliance


David Brook, Director
Division of Historical Resources

APPROVED


David W. Hoyle, Secretary
Department of Revenue


Linda A. Carlisle, Secretary
Department of Cultural Resources

**DEPARTMENT OF REVENUE
TAX COMPLIANCE
TAX ENFORCEMENT DIVISION
ADMINISTRATION**

ITEM 49950. CRIMINAL JUSTICE PERSONNEL FILE.

Records concerning employment of law enforcement officers. Files includes background checks, qualification scores, and other related records that are not maintained in the department's Human Resources Division. (Comply with applicable provisions of G.S. 126-22, 126-23, and 126-24 regarding confidentiality of personnel records and applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; IRS 1075, Exhibit 3; and Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records.).

DISPOSITION INSTRUCTIONS: Transfer to the State Records Center 5 years after employee terminates service. Records will be held in the State Records Center for 25 additional years and then destroyed.

**DEPARTMENT OF REVENUE
TAX COMPLIANCE
TAX ENFORCEMENT DIVISION
CRIMINAL INVESTIGATIONS SECTION**

ITEM 15126. INFORMATION ITEM DATABASE (ELECTRONIC) FILE.

Electronic records furnished to the Criminal Investigations Section by third party sources. Data fields include taxpayers' names, identification numbers, and other related records. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Destroy in office after 3 years if no litigation, audits, or official actions involving the records have been initiated. If initiated, destroy in office after resolutions of all issues involved.

ITEM 15127. REFERRAL DATABASE FILE.

Records forwarded by Revenue Officers and Revenue Field Auditors to the unit for investigation.

DISPOSITION INSTRUCTIONS: Functions and records transferred to Master Case Database File (Item 49347).

ITEM 15128. CURRENCY TRANSACTION FILE.

Records concerning monetary transactions of \$10,000 or more made by individuals. (Information is furnished to the unit by banks, credit unions, savings and loans, and others.)

DISPOSITION INSTRUCTIONS: Item discontinued. All records destroyed.

ITEM 49346. ANNUAL REPORTS FILE.

Annual reports of section activities, goals, objectives; and other related topics. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer record.)

DISPOSITION INSTRUCTIONS: Destroy in office when reference value ends.

ITEM 49347. MASTER CASE DATABASE (ELECTRONIC) FILE.

Electronic records concerning the accumulation of data on cases being investigated by the section. Data fields include taxpayers' names and identification numbers, item numbers, case numbers, names of agents, criminal and convicted charges, indictment arrest date, court date, case completion dates, amounts of criminal fines and taxes, amounts paid to the section, names of case sources, date when case is acquired, status of cases, and other related data. (Information is entered into this database from the Master Case (Active) File (Item 49348).) Comply with standards and policies issued by N.C. Department of Cultural Resources regarding the preservation of permanent electronic records. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Update in office routinely. Retain in office permanently.

**DEPARTMENT OF REVENUE
TAX COMPLIANCE
TAX ENFORCEMENT DIVISION
CRIMINAL INVESTIGATIONS SECTION**

ITEM 49348. MASTER CASE (ACTIVE) FILE.

Records concerning investigations being conducted by the section. File includes case data sheets, news articles, press releases, warrants and indictments, prosecution reports/final reports, correspondence with divisions and the Office of the Attorney General, referral documents, and other related records. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Transfer to the Master Case (Closed) File (Item 49349) immediately after case is adjudicated or discontinued if no litigation, audits, or official actions involving the records have been initiated. If initiated, destroy in office after resolutions of all issues involved.

ITEM 49349. MASTER CASE (CLOSED) FILE.

Records concerning investigations that are closed or have been discontinued. File includes case data sheets, news articles, press releases, warrants and/or indictments, prosecution reports/final reports, correspondence with divisions and the Office of the Attorney General, referral documents, and other related records. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Destroy in office after 6 years if no litigation, audits, or official actions involving the records have been initiated. If initiated, destroy in office after resolutions of all issues involved.

ITEM 49350. REPORTS FILE.

Reports in electronic and paper formats concerning cases assigned to agents. Reports include auditor reports, case assignments, correspondence, including e-mail, disposition of cases, financial statements, working papers, and other related records. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Retention of e-mail records in this series is governed by G1 of the General Schedule which requires that e-mail shall be retained for ten years pursuant to Executive Order No. 18 issued July 7, 2009 by Governor Beverly Perdue. Destroy remaining records in office after 5 years if no litigation, claim, audit, or other official actions involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 49951. MEDIA COVERAGE FILE.

Electronic reports concerning media coverage on arrests or convictions of cases investigated by agents. Reports include defendant's name, media outlet, dates of coverage, and other media coverage-related information.

DISPOSITION INSTRUCTIONS: Destroy in office after 5 years.

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CRIMINAL INVESTIGATIONS SECTION**

ITEM 49954. RESTITUTION FILE.

Electronic reports concerning restitution amounts received by the section on criminal cases. Reports include names of taxpayers, check numbers, check dates, and amounts received. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Destroy in office after 10 years if no litigation, audits, or official actions involving the records have been initiated. If initiated, destroy in office after resolutions of all issues involved.

ITEM 49955. INTERDICTION FILE.

Electronic reports concerning fraudulent preparers' cases investigated by the section. Reports include names of preparers, amounts of assessment, number of returns, and other related information. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Destroy in office after 10 years if no litigation, audits, or official actions involving the records have been initiated. If initiated, destroy in office after resolutions of all issues involved.

**DEPARTMENT OF REVENUE
TAX COMPLIANCE
TAX ENFORCEMENT DIVISION
MOTOR FUELS INVESTIGATORS SECTION**

ITEM 49956. CASE ASSIGNMENT DATABASE (ELECTRONIC) FILE.

Electronic records concerning the tracking of cases from initiation to closing of case. Data fields include dates of origin of cases, account names, types of cases, disposition of cases, assessments amounts, audit amounts, lab results, and other related data. (Information entered into this database from the Case File (Item 49958).) (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Update in office routinely. Destroy in office after 4 calendar years ending January 31 of each calendar year.

ITEM 49957. CASE ASSIGNMENTS REPORTS FILE.

Reports concerning cases investigated by the section. Reports includes names of cases, statistical information regarding cases, descriptions of cases, and other related information. (Reports are generated on demand from the Case Assignment Database (Electronic) File (Item 49956).) (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Destroy in office when reference value ends.

ITEM 49958. CASE FILE.

Case files concerning investigations and inspections conducted by investigators. File includes investigative reports, lab analysis, penalty assessments, and other related records. (Biographical and statistical information is selectively keyed into the Case Assignment Database (Electronic) File (Item 49956) routinely. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Destroy after 4 years if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 49959. INSPECTIONS DATABASE (ELECTRONIC) FILE.

Electronic records concerning inspection data entered by investigators. Data fields include dates of inspections, account names, addresses, types of businesses, scope of inspections, disposition of inspections, and other related data. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Destroy in office after 4 years if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

**DEPARTMENT OF REVENUE
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TAX ENFORCEMENT DIVISION
MOTOR FUELS INVESTIGATORS SECTION**

ITEM 49960. INSPECTIONS FIELD REPORTS (REFERENCE) FILE.

Inspections field reports that contain statistical and account information for ongoing investigations. Reports include document dates, account numbers, locations of inspections, and other related data. (Reports are printed on-demand from the Inspections Database (Electronic) File (Item 49959).) (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Destroy in office when reference value ends.

ITEM 49961. INSPECTIONS FORMS (REFERENCE) FILE.

Forms completed by investigators in the field to gather statistical and account information for ongoing investigations. Forms include dates of inspections, account names, types of businesses, scope of inspections, disposition of inspections, and other related information. (Information is entered into the Inspections Database (Electronic) File (Item 49959) daily. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records and with applicable provisions of G.S. 132-1.4 regarding confidentiality of criminal investigations and criminal intelligence information.)

DISPOSITION INSTRUCTIONS: Destroy in office when reference value

**DEPARTMENT OF REVENUE
TAX COMPLIANCE
TAX ENFORCEMENT DIVISION
UNAUTHORIZED SUBSTANCES SECTION**

ITEM 48965. DISTRIBUTION RECORDS FILE.

Records concerning the distribution of unauthorized substance taxes. File includes daily distribution reports, agency payment vouchers, taxpayer vouchers, invoices, and other related records. (Information is keyed into the Unauthorized Substances Database (Electronic) File (Item 48966) and the Distribution Automation System Database (Electronic) File (Item 49963). (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records.)

DISPOSITION INSTRUCTIONS: Destroy in office after 3 years if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 48966. UNAUTHORIZED SUBSTANCES DATABASE (ELECTRONIC) FILE.

Electronic records concerning the administration of unauthorized substances taxes levied through G.S. 105-113. Data fields include names and addresses, social security numbers, dates of birth, driver's license numbers, names and addresses of arresting law enforcement agency, types and amounts of unauthorized substances recovered, locations of recovery, dates of recovery, distribution percentages, and other related data. Comply with standards and policies issued by N.C. Department of Cultural Resources regarding the preservation of permanent electronic records. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records.) (Information is obtained from the Cases (Active) File (Item 48967) and the Distribution Records File (Item 48965).

DISPOSITION INSTRUCTIONS: Update in office routinely. Retain in office permanently.

ITEM 48967. CASES (ACTIVE) FILE.

Records concerning open cases involving taxpayers assessed under unauthorized substances taxes levied through G.S. 105-113.105, Article 20, Unauthorized Substances Tax. File includes incident reports, supplemental reports, warrants, forms, garnishments, copies of tax returns, inventories of seized properties, Certificates of Tax Liabilities, BD-4s, and other related records. (Information entered into the Unauthorized Substances Database (Electronic) File (Item 48966). (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records.)

DISPOSITION INSTRUCTIONS: Transfer to Item 48968, Cases (Inactive) File, after tax assessment is collected, compromised, and/or cancelled and no litigation, claims, audits, or other official action involving the records has been initiated. If official action has been initiated, transfer to Cases (Inactive) File after completion of action and resolution of issues involved.

ITEM 48968. CASES (INACTIVE) FILE.

Records concerning closed cases involving taxpayers assessed under unauthorized substances taxes levied through G.S. 105-113. File includes incident reports, supplemental reports, warrants, forms assessments, garnishments, copies of tax returns, inventories of seized properties, Certificates of Tax Liabilities, BD-4s, and other related records. (Information entered into the Unauthorized Substances Database (Electronic) File (Item 48966). (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records.)

DISPOSITION INSTRUCTIONS: Destroy in office 2 years after case is officially closed and no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

**DEPARTMENT OF REVENUE
TAX COMPLIANCE
TAX ENFORCEMENT DIVISION
UNAUTHORIZED SUBSTANCES SECTION**

ITEM 48969. SEIZED PROPERTY TAXES FILE.

Records related to properties seized and sold under authority of G.S. 105-242 a.(2) concerning garnishments for taxes. File includes inventory sheets, inspection reports, invoices, auction proceeds data forms, and other related records. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records.) (Information entered into the Seized Property Database (Electronic) File (Item 48970) immediately upon receipt.)

DISPOSITION INSTRUCTIONS: Destroy in office when superseded or obsolete.

ITEM 48970. PROPERTY DATABASE (ELECTRONIC) FILE.

Electronic records concerning property seized and sold under the authority of G.S. 105-242 a.(2) concerning garnishments for taxes. Data fields include names of taxpayers, account numbers, dates of seizures, inventory of seized items, and other related records. Comply with standards and policies issued by N.C. Department of Cultural Resources regarding the preservation of permanent electronic records. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records.)

DISPOSITION INSTRUCTIONS: Update in office routinely. Retain in office permanently.

ITEM 48963. DISTRIBUTION AUTOMATION SYSTEM DATABASE (ELECTRONIC) FILE.

Database used to create the actual Distribution including the taxpayer's vouchers, agency vouchers, General Fund Reports, and Penalty Reports. (Information is keyed into this database from daily reports derived from the Unauthorized Substances Database (Electronic) File (Item 48966) and the Distribution Records File (Item 48965). Comply with standards and policies issued by N.C. Department of Cultural Resources regarding the preservation of permanent electronic records. (Comply with applicable provisions of G.S. 105-241; G.S. 105-259; G.S. 105-262; NCAC T17-C1-S1C.0503; G.S. 105-129; G.S. 105-228.5; G.S. 132-1.1; and IRS 1075, Exhibit 3; Internal Revenue Code, Section 6103 concerning confidentiality of taxpayer records.)

DISPOSITION INSTRUCTIONS: Update in office routinely. Retain in office permanently.